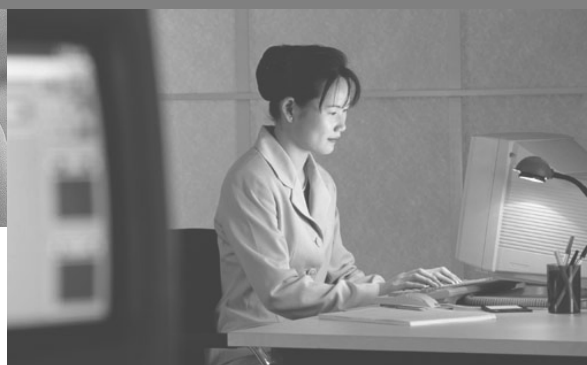


# WORKFORCE INVESTMENT ACT

## Alabama Incumbent Worker Training Program



Program Guidelines and Application  
Program Year: 2005-2006



Alabama Department of  
Economic and Community Affairs

Office of Workforce Development  
Workforce Development Division



**BOB RILEY, GOVERNOR**



**WORKFORCE INVESTMENT ACT**  
**ALABAMA INCUMBENT WORKER TRAINING PROGRAM**  
**PROGRAM GUIDELINES / PROGRAM YEAR: 2005-2006**

The Workforce Investment Act (WIA), Incumbent Worker Training Program (IWTP) is funded by the United States Department of Labor and administered by the Office of Workforce Development. The purpose of the program is to provide assistance to Alabama employers to help with certain expenses associated with new or upgraded skills training of full-time, permanent company employees.

- **Training projects are funded on a first come/first serve basis until the budgeted funds are contracted. The budget for this program year (07/01-06/30) is \$1,000,000.**
- **The maximum funding award for training projects is \$50,000.00 for each business location** (If multiple business locations apply for funding each location's workforce must generate a product or service that is unique to that site and that site must be located beyond normal commuting distance of a seventy-five (75) mile radius from the other applying locations). **Each business location must provide evidence of matching contributions, at least dollar-for-dollar, for the funds requested.**
- **With high demand and limited funding available, all applications will be evaluated to leverage other state, federal, and private funds with IWTP funds.**
- **The Office of Workforce Development reserves the right to request follow-up information pertaining to the realized results of the funded training projects.**

**PROGRAM GUIDELINES**

Submission of applications for the 2005-2006 WIA IWTP is open to all Alabama for-profit companies that meet the requirements outlined on the following pages.

■ **BUSINESSES APPLYING FOR FUNDING:**

- **Must be a "for-profit" business that has been in operation in Alabama for a minimum of two (2) years before the application date.**
- Must have at least one full-time, permanent employee, other than the owner of the business.
- Must demonstrate financial viability and must be current on all state and federal tax obligations.
- Must present a training program that provides for new and/or upgraded job skills that are necessary for the company to maintain or increase competitiveness in a global economy and must provide job security for the workers. The training project is not designed for professional-type businesses in which continuous employee education is necessary to retain professional certification such as CPA firms, insurance companies, law firms, etc.
- For those companies that have received funding from a previous IWTP contract, at least twelve (12) months must have expired from the end date of said contract to apply for additional IWTP funds.
- An applicant must demonstrate the effect of the training on business operations and identify the transferable skills acquired by employees.

■ **PRIORITY WILL BE GIVEN TO:**

- Businesses with 25 employees or less.
- Businesses in rural areas.
- Businesses in distressed inner-city areas.
- Businesses with proposals that represent a significant upgrade in employee skills such as; 1) job specific retraining or skills upgrading related to new work processes or business restructuring, 2) introduction of new industry technology, or 3) new organization strategies designed to prevent dislocation of Alabama businesses or workers.
- Businesses with proposals that represent a significant workers' layoff avoidance strategy.
- Businesses of an industry experiencing significant labor shortages where training or retraining of present workers is necessary to respond to a shortage of skilled labor to meet job demands.
- Businesses that hired recent recipients of public assistance such as WIA, Unemployment Insurance benefits, and rehabilitative services or individuals recently released from a correctional facility.
- Businesses that have listed job openings with the Alabama Employment Service.
- Businesses that have never received a training award under this program.
- Consortia (group or multiple) of businesses combining training activities to reduce training costs and company downtime. Each business must submit an individual application and approval will be contingent upon all companies being approved for funding.

## ■ **BUSINESSES NOT ELIGIBLE TO APPLY FOR FUNDING:**

- A business currently receiving training funds from the Alabama Department of Economic and Community Affairs (ADECA) or the Office of Workforce Development, which are a duplication of training efforts outlined in the proposed IWTP project.
- A business that has received funds, either directly or indirectly, from the State of Alabama under any previous training initiative and the terms of the agreement for training were not met or completed.
- A training provider.
- A labor union.
- A government entity.
- A business, or business division, whose relocation to Alabama has resulted in any employee losing his/her job at the original location cannot be considered for WIA funds for 120 days after the relocation to Alabama (WIA Regulations, 20CFR 667.268(a)(2)).

## ■ **TRAINING SERVICES:**

- Can be provided through Alabama's public or private educational institutions, in or out-of-State private training organizations, professional trainers hired by the company, or a combination of training providers.
- Can be conducted at the business's own facility, at the training provider's facility, or at a combination of sites.
- Can be occupational skills training that is designed to meet the special requirements of a business or a group of businesses and that is conducted with employer commitments to continue to employ all trained individuals upon successful completion of the training.
- Can be educational training, other than degreed programs, including workplace literacy, basic skills, "soft" skills, and English as a Second Language (ESL).

## ■ **REIMBURSABLE TRAINING EXPENSES (WITH PROPER DOCUMENTATION):**

- Primarily non-company, professional instructors'/trainers' salaries.
- Tuition costs for training courses or programs.
- Textbooks/manuals directly related to training.
- Expendable materials and supplies directly related to training.
- Computer software that is used 100% for training activities only.
- Curriculum development expenses.

## ■ **NON-REIMBURSABLE EXPENSES:**

- Trainee (employee) wages.
- Travel expenses of trainers or trainees.
- Purchases of capital equipment or other durable (long lasting/reusable) training materials/equipment.
- Capital improvements and purchase of real estate, to include the construction or renovation of facilities or buildings.
- Purchase of any item or service that may be used outside of the training project.
- Any training-related expenses incurred before project approval or beyond the ending date of the agreement.
- Any training currently being offered by the employer, i.e., ongoing training sessions.
- Business related expenses.
- Employment or training in sectarian activities.
- Any costs not approved in the agreement.

## ■ PARTICIPANT (INCUMBENT WORKER TRAINEE) REQUIREMENTS:

- WIA enrollment forms must be complete, prior to training start dates, on all participants of the IWTP that will be funded with Federal funds.
- Please note – Social Security Numbers for all employees (who are to receive training) are a required part of the enrollment process.
  - ✓ Employees and employee representatives or union-represented employees need to be made aware of the data collection requirements prior to a company's submission of an application request. Companies whose employees do not wish to provide the enrollment data/information required should not apply for IWTP funds.
- Training outcomes (program performance) for each participant in the IWTP must be entered into AlaWorks (participant management information system). The Alabama Career Center System job developer collects this information for submittal to the State Office for data entry. *Confidentiality Notice: No proprietary or individually identifiable information (Social Security Numbers, Driver's License Numbers, home addresses or phone numbers) will be shared publicly. Collected information will be used for statistical purposes only.*
- Employees must work full-time at the Alabama business facility for which the training is being provided.

## ■ FUNDING AWARDS:

- A request for funding application must include clear and measurable performance outcomes for project evaluation. The employer should list expected measurable results such as expected return on investment, reductions in production costs, number of jobs saved, number of expected new employees, sales increases, etc.
- A business approved for funding enters a written agreement with ADECA/Office of Workforce Development, which commits the business to complete the training project as proposed in the application.
- Any modifications in training format (contained in the agreement) must be requested in writing by the appropriate company representative and approved by ADECA/Office of Workforce Development before the changes occur. Please note that no increase in funding can occur.
- **A business approved for funding must provide a matching contribution to the training project. Employers are required to provide a minimum of 50% of the total training dollars.**
- Initial contract/training periods may not exceed 12 months.
- **A business shall provide sufficient documentation to the Career Center for identification of all employee participants for data entry into AlaWorks (participant management information system) as required, as well as any additional information deemed pertinent to the contract administrator.**
- The employer must agree to make employees available for the collection of enrollment data for the program. Employees must agree to cooperate with data collection requirements to participate in the IWTP.
- Approved budget items must be incurred during the term of the agreement to be considered for reimbursement.
- A business (approved for funding) will keep accurate records of the project's implementation process and certify that all information provided for requesting reimbursements and reporting training activities is accurate and true.
- A business must submit reimbursement requests with required support documentation, including evidence that the employer has paid the training expenses, in accordance with the terms of the agreement.

## ■ PROJECT COMPLETION:

- All funded projects shall be performance-based with specific, measurable performance outcomes that include the completion of the training project and job retention.
- Final project expenditure reimbursement forms must be submitted within 30 days of the end of the contract or the end of the formal training, whichever is the earliest ending date of program activity.
- Upon completion of the final training activity, the company representative must notify the job developer that the training activities have been completed.

## ■ EXPECTED PROJECT OUTCOMES:

- A business (that is awarded funding assistance) will submit, in cooperation with the training provider, a Performance Outcome Report to the Office of Workforce Development within 90 days after the contract end date. The Performance Outcome Report must demonstrate project results in relation to expected outcomes identified on the initial application.
- **Please note that no proprietary or individually identifiable information will be shared publicly without prior written permission from the business.**
- After completion of all training activities, a business will be required to demonstrate:
  - ✓ Return-On-Investment of Federal funds and employer matching contributions related to the results of this project.

and **at least seven of the following ten** outcomes in the Project Outcome Report:

- ✓ Provide data on business growth or expansion.
  - 1) Will create \_\_\_\_\_ openings in entry-level positions
  - 2) Will create \_\_\_\_\_ new jobs within our company
  - 3) Will save \_\_\_\_\_ jobs within the company
- ✓ Provide data on increases in productivity through measurements
  - 4) Will increase overall efficiency of the company by \_\_\_\_\_ percent
  - 5) Will improve the unit/labor costs by \_\_\_\_\_ percent
  - 6) Increase profit margin by \_\_\_\_\_ percent over the next \_\_\_\_\_ months
  - 7) Increase/retain sales by \_\_\_\_\_ percent over the next \_\_\_\_\_ months
- ✓ Show data to demonstrate that funds used to train incumbent workers resulted in improved turnover and wage status of employees.
  - 8) Will lower turnover rates of existing workforce by \_\_\_\_\_ percent
  - 9) Will improve post-training wages of participating employees
  - 10) Will improve long-term wages of participating employees
- ✓ Describe how the training has allowed the use of new technology to improve current production practices, if applicable.

## ■ AVAILABILITY OF PROJECT APPLICATIONS AND GUIDELINES:

The Office of Workforce Development will use the resources available through the Alabama Department of Economic and Community Affairs (ADECA) to publicize the availability of the funds. The standard project application and guidelines are available at [www.adeca.alabama.gov](http://www.adeca.alabama.gov). Additionally, these documents are available from the Alabama Career Centers or by contacting the Office of Workforce Development at (334) 353-1799 or (334) 353-1632.

## COMMONLY ASKED QUESTIONS AND ANSWERS

### ➤ ***What is the Incumbent Worker Training Program?***

Funded by the U.S. Department of Labor and administered by the Office of Workforce Development, the Workforce Investment Act (WIA) Incumbent Worker Training Program is designed to provide funding assistance to qualifying Alabama for-profit businesses to provide skills training to full-time, permanent company workers. The training must be a business necessity that will enhance companies' abilities to compete in global economies, expand present markets, and help ensure the permanency of businesses in Alabama. For the workers, the training will upgrade present work skills, heighten job security, provide marketable skills, and increase the possibilities for higher wages and promotional opportunities. The Office of Workforce Development staff administers, monitors, evaluates, and provides fiscal and agreement compliance assistance during the training process.

### ➤ ***What kind of training can the WIA Incumbent Worker Training Program fund?***

Training can include, but is not limited to, industry or company-specific work skills, basic job skills, technical computer skills, new manufacturing technologies, equipment operation training, changes in production processes, "soft skills" such as leadership, teamwork and communication, and management skills. The Office of Workforce Development does not maintain a list of approved training providers for the WIA IWTP. Companies will select the type of training required and training provider(s) that meet their business and training requirements before submitting an application for consideration.

- ✓ Please note. Because of high demand and limited funds for the program, funding of training projects that provide the greatest potential for impacting the company's competitiveness and employee retention will receive the highest consideration.

### ➤ ***Which companies are eligible to apply?***

For-profit Alabama businesses that must remain competitive in industrial and global economic environments and have been in business in Alabama for a minimum of two consecutive years immediately prior to submitting an application are eligible. Companies applying must also have at least one full-time, permanent worker (other than the owner), be financially viable, and current on all state and federal tax obligations.

### ➤ ***What information is required from the business to complete the "Employer Contribution" column on the training program budget?***

The company must identify, in their WIA Incumbent Worker Training Application, its contribution (company match) to the training program. Company contributions may be comprised of trainee wages and benefits paid during the training period, equipment purchased for training, training materials and supplies, training curriculum development expenses, and travel and lodging costs.

### ➤ ***What information will the company need to maintain for reimbursements and final Performance Outcome Reports?***

Once training begins, the company must maintain adequate financial records of the training expenses and reimbursements delineated in the approved written agreement, information about the training provider, a detailed description of training, benefits to the company, and benefits to the company workers.

### ➤ ***What does "performance-based" mean?***

A company is awarded training funds to provide skills training to an agreed upon number of workers. If the company does not train the agreed upon number of workers by the end of the contract period, the final reimbursement may be pro-rated to bring the total project costs in line with the actual number of trained employees. If the company provides training to less than the planned number of employees or the projected training is not completed, then the cost of the training may be prorated.

### ➤ ***What training costs will not be reimbursed under the WIA Incumbent Worker Training Program?***

Program funding cannot be used to pay for trainees' wages and benefits during the training, travel expenses, training equipment, administrative costs, catering of training events, and costs outside the agreement period (effective begin and end dates of the agreement). However, these types of training expenses, incurred within the approved contract period, may be included as part of the "Employer Contribution" to the project.

### ➤ ***What training costs can be reimbursed under the WIA Incumbent Worker Training Program?***

Training expenses may include non-company professional instructors'/trainers' salaries, trainee(s)' tuition, required textbooks, manuals, curriculum development costs, and required expendable training materials and supplies. Necessary computer software that is used 100% for training purposes only, may also be considered for reimbursement.

➤ ***What if an employee is trained who is determined ineligible by WIA regulations?***

Any costs associated with participants deemed ineligible by WIA regulations will not be reimbursed. Whether the trainer charges a flat fee or a per participant fee, the invoice will be prorated to exclude ineligible participants.

➤ ***How should the budget reflect the proposed training costs and the employer contributions?***

An example of training costs and employer contributions can be found in the "Sample Budget" on page 7 of this information. This sample budget will show the different options for employer matching funds against the WIA IWTP reimbursable training costs.

➤ ***How are companies reimbursed for approved training expenses?***

The Office of Workforce Development will provide approved companies with the required forms to complete for expense reimbursements. Companies should submit their reimbursement requests after the completion of each training module. Final expenses must be reported within thirty (30) days after training activities are complete or the contract end date, whichever is the earliest end date of program activity.

➤ ***What information is required for reimbursement of expenditures covered in the agreement?***

Before an invoice can be paid, all training participants' names, Social Security Numbers, and other required data must be entered into AlaWorks (participant management information system). It is the responsibility of the Career Center staff member or job developer to secure all eligibility, enrollment forms, etc. It is the responsibility of the employer to ensure that the employees (to receive training) are available to meet with the Career Center System staff member or job developer in order to complete the necessary WIA participant enrollment paperwork as required. The employer must also require the cooperation of the trainees to provide the necessary information (Social Security numbers, etc.) to the local area Career Center. (This is a federally funded program and certain data is required for receipt of training services.) A submitted reimbursement form must include:

- ✓ Copy of paid trainer (college, private vendor, etc.) invoice. The invoice should include the date(s) and type(s) of training that was provided.
- ✓ Copy of the check with which the invoice was paid or other documentation as evidence of payment.
- ✓ For each training session, a copy of the roster from the training provider or employer, which includes trainee's names and Social Security Numbers, is required. The date(s) and type(s) of training should be noted on each roster. Also, this roster should include the signature of the trainer or employer certifying that the employees did participate in the training.

➤ ***What kind of reporting is required from the company about approved training projects?***

During training activities, the company must compile and maintain training rosters that will include names of trainees, their Social Security Numbers, dates of training, and types of training received. This information is to be included with the project expenditure reimbursement form. Once training is completed, the company will be surveyed about the program, training activities, and project conclusion. The company may also receive an on-site visit from the Office of Workforce Development staff to review and evaluate the effectiveness of the program.

➤ ***Where may the training take place?***

Training may be conducted at the business's own facility, at a public or private training provider's facility, or at a combination of sites that best meet the needs of the business.

➤ ***Who selects the training providers?***

The company selects the training provider that best suits their training needs.

➤ ***Who actually does the training?***

The company-selected training providers will actually do the training. These include public or private professional trainers, equipment vendors, or subject matter experts.

➤ ***Who provides technical assistance?***

The Office of Workforce Development staff is available to provide technical assistance throughout the training project – from the application stage through project completion.

➤ ***What happens after a training project is approved for funding?***

Written notification will be provided to the company that the proposed training project is approved for funding assistance. The Office of Workforce Development staff will send a letter of notification and a written agreement to the company. The company representative(s) must review the written agreement and return the signed copies, as instructed, to the Office of Workforce Development before the training can begin. ADECA and the Office of Workforce Development will also issue a press release on each approved program, which may run in local area newspapers.

# SAMPLE BUDGET

## BUDGET FOR PROPOSED TRAINING PROJECT

| BUDGET CATEGORY  | B. FUNDING ASSISTANCE REQUESTED                                | C. EMPLOYER CONTRIBUTION | D. TOTAL (B. + C.) |
|--|--|--------------------------|--------------------|
| <b>NON-COMPANY INSTRUCTOR WAGES/TUITION</b> (This information should be reconciled with Section 4. )                 |  |                          |                    |
| 1. Rapid Management 101: \$1,750.00 x 2 (8 Hr) classes = \$3,500.00 (flat fee)                                       | 1. \$3,500.00  | 1.                       | \$17,900.00        |
| 2. Industrial Streamline 102: \$45.00/training hr. x 32 trainees x 10 training hrs = \$14,400.00                     | 2. \$14,400.00   | 2.                       |                    |
| <b>CURRICULUM DEVELOPMENT</b>  |  |                          |                    |
| 1.   | 1.   | 1.                       | \$0.00             |
| 2.   | 2.   | 2.                       |                    |
| <b>MATERIALS/SUPPLIES/TEXTBOOKS</b>  |  |                          |                    |
| 1. Rapid Management Manuals @ \$15.90 ea. X 10 manuals = \$159.00  | 1.   | 1. \$159.00              | \$159.00           |
| 2.   | 2.   | 2.                       |                    |
| <b>TRAINING EQUIPMENT PURCHASE</b>   | <i>Incumbent Worker Training Program funds cannot be used.</i> |                          |                    |
| 1.   |  | 1.                       | \$0.00             |
| 2.   |  | 2.                       |                    |
| <b>OTHER COSTS (Describe)</b>  |  |                          |                    |
| 1.   | 1.   | 1.                       | \$0.00             |
| 2.   | 2.   | 2.                       |                    |
| <b>TRAVEL, FOOD, LODGING</b>   | <i>Incumbent Worker Training Program funds cannot be used.</i> |                          |                    |
| Travel: \$0.37/mile x 1,000 miles = \$370.00   |  | \$370.00                 | \$970.00           |
| Lodging: \$65.00/night x 6 nights = \$390.00   |  | \$390.00                 |                    |
| Food: \$30/day x 7 days = \$210.00   |  | \$210.00                 |                    |
| <b>TRAINEE WAGES (Including benefits)</b>  | <i>Incumbent Worker Training Program funds cannot be used.</i> |                          |                    |
| 1. Rapid Management: 24 trainees x \$24.35/avg. hr. wage x 16 training hrs each = \$9,350.40 (rounded to \$9,350.00) |  | 1. \$9,350.00            | \$16,886.00        |
| 2. Industrial Streamline 102: 32 trainees x \$23.55/avg. hr. wage x 10 training hrs each = \$7,536.00                |  | 2. \$7,536.00            |                    |
| <b>TOTALS</b>  | <b>\$17,900.00</b>   | <b>\$18,015.00</b>       | <b>\$35,915.00</b> |

➤ Training funds cannot be used to reimburse any training costs incurred before the contract is approved. Please consider this when developing your budget and timeline.

➤ The employer must contribute 50% or more to the training project to be considered for IWTP funding. Examples of employer contribution can include expenses associated with: 1) instruction/tuition, 2) curriculum development, 3) materials/supplies, 4) training equipment, 5) travel, food, or lodging expenses, and 6) trainee wages (including benefits) of employees during training.



## ■ APPLICATION INSTRUCTIONS:

- Detach and complete the attached Incumbent Worker Training Program Application. Any information or documentation that cannot be supplied in the spaces provided on the forms should be identified by the relevant question number on additional pages attached to the back of the application form.
- Include the following two forms with your application: 1) The State of Alabama Disclosure Statement ([www.ago.state.al.us/documents/vendor\\_disclose.pdf](http://www.ago.state.al.us/documents/vendor_disclose.pdf)) which is required by Executive Order #55 and 2) the W-9 Tax I.D. Form (<http://www.irs.gov/pub/irs-pdf/fw9.pdf>). These forms may be obtained at the websites provided or by contacting an Office of Workforce Development staff member (contact information below).
- **Submit one (1) original and two (2) copies of the signed, completed application and one (1) original of the Tax I.D. Form and the State of Alabama Disclosure Statement to:**

**Incumbent Worker Training Program  
Alabama Department of Economic and Community Affairs  
Office of Workforce Development  
401 Adams Avenue  
P. O. Box 5690  
Montgomery, Alabama 36103-5690**

- **NOTE: It is recommended that the application be submitted at least 45 working days before the planned start date of training.**
- Submission of a completed application does not constitute approval of IWTP funding. Approval of the application from the ADECA Director and the Director of the Office of Workforce Development must be obtained before the start of any training.
- No pre-agreement costs will be paid and only allowable expenditures (as contained in the approved budget) will be reimbursed after a fully executed agreement is in effect.
- If you have any questions or need assistance in completing the application, please contact one of the following Office of Workforce Development staff members; Carmen Moa-Rivera at (334) 353-1799 or via e-mail: [carmenm@adeca.state.al.us](mailto:carmenm@adeca.state.al.us) or Sara Calhoun at (334) 353-1632 or via e-mail: [sarac@adeca.state.al.us](mailto:sarac@adeca.state.al.us).

**The Alabama Department of Economic and Community Affairs and the Office of Workforce Development WIA Incumbent Worker Training Program is an equal opportunity employer program.**